Gaming Policy and Enforcement Branch

Annual Report

April 1, 2011 - March 31, 2012

BRITISH COLUMBIA

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Letter of Transmittal

I am pleased to submit to the British Columbia Legislature the 2011/12 Annual Report for the Gaming Policy and Enforcement Branch (GPEB) of the Ministry of Energy, Mines and Natural Gas. The information in this report reflects the activities of the Branch between April 1, 2011 and March 31, 2012.

The Gaming Policy and Enforcement Branch regulates the gaming industry in British Columbia. Its mandate is to ensure that gaming in the province is conducted and managed with integrity, and that the interests of the public are protected.

The evolving nature of gaming poses ongoing challenges to regulation. Casinos and community gaming centres are bringing new technology into their venues, and the popularity and evolution of online gambling has taken unprecedented strides over the past few months, including added pressures to enter the mobile market. To address these and other changes to the industry, the Branch must maintain flexible and creative approaches, making sure that the same standard of integrity applies to all forms of gaming.

The British Columbia Lottery Corporation (BCLC), GPEB and police forces also remain vigilant to deter money laundering in B.C. gaming facilities. To ensure the Province's current anti-money laundering policies, practices and strategies are appropriate, and to find ways to improve these wherever possible, in 2010, I commissioned a review to examine anti-money-laundering (AML) measures at B.C.'s gaming facilities. Released in 2011, the report found that the Province already has a robust anti-money-laundering regime in place, and made recommendations to further strengthen this regime. Over the past few months, GPEB and BCLC have been hard at work addressing these recommendations.

The main focus of the Province's AML strategy involves moving the gaming industry away from cash transactions as quickly as possible, while all remaining cash transactions are appropriately scrutinized.

Government continues to support the B.C. horse racing industry through the B.C. Horse Racing Industry Revitalization Initiative. For 2011/12, government's financial support remained at $10 million. The government-appointed B.C. Horse Racing Industry Management Committee continues to guide the industry in its effort to become financially stable and sustainable. Given the number of challenges facing the industry and the general decline of horse racing across North America, these efforts will continue through 2012/13.

I will continue to work closely with GPEB management and staff to address these ongoing challenges and ensure the effective regulation of British Columbia's gaming industry and the protection of consumers and partners.

Honourable Rich Coleman,
Minister of Energy, Mines and Natural Gas
Deputy Premier

Accountability Statement

Honourable Rich Coleman
Minister of Energy, Mines and Natural Gas

Minister:

I'm pleased to present the 2011/12 Annual Report for the Gaming Policy and Enforcement Branch (GPEB). The report covers the period between April 1, 2011 and March 31, 2012. I am responsible for the contents of this document, including the selection of accomplishments and the way in which they are reported.

GPEB's mandate is to ensure that gaming in British Columbia is conducted responsibly and with integrity. As such, GPEB requires, among other things, that gaming revenues be used appropriately, that only appropriate people are included in the industry, that incidents of real or suspected wrongdoing be addressed, that responsible gambling education is available to all British Columbians, and that help is available to anyone experiencing problems related to gambling.

Over the past year, GPEB has been working closely with the British Columbia Lottery Corporation (BCLC) to further strengthen the already robust measures to deter money-laundering in B.C. gaming facilities. The main focus of this strategy has been to find ways to move away from cash transactions by encouraging the use of alternative transaction methods, such as electronic funds transfers. Other elements of the strategy include connecting with other jurisdictions to examine related best practices, and making sure that gaming staff have the training and knowledge to scrutinize all buy-ins for suspicious transactions. In addition, the Responsible and Problem Gambling Program increased the nature and scope of its services demographically and in terms of people served.

Finally, I would like to recognize and thank all GPEB staff for their expertise and commitment to ensuring that gaming remains a sound, socially-responsible industry in British Columbia. I am fortunate and proud to work with them.

Douglas Scott
Assistant Deputy Minister and General Manager
Gaming Policy and Enforcement Branch

Mandate Statement

GPEB's mandate is to ensure the integrity of gaming and horse racing in British Columbia.

To carry out this mandate, GPEB regulates all gaming in the province. This includes regulatory oversight of BCLC, which conducts, manages and operates most commercial gaming in B.C.—from lotteries, casinos and community gaming centres, to commercial bingo halls and the PlayNow.com website. Horse racing in the province is conducted and managed by thoroughbred and standardbred associations, in conjunction with racetrack operator Great Canadian Gaming Corporation.

GPEB's work is guided by the provincial Gaming Control Act, the Criminal Code of Canada and other applicable laws, regulations, and policies.

GPEB's core objective is to ensure that a comprehensive and responsible gaming regulatory framework is in place.

Key facts about gaming in British Columbia

In British Columbia, gaming is a $2.7 billion/year industry.

- During the past year, the gaming sector included:
- Almost 31,000 people employed directly and indirectly in gaming operations and support services (source: Canadian Gaming Association report: *Economic Impact*
- *of the Canadian Gaming Industry [2010/11]*)
- Almost 9,900 licensed gaming events.

As at March 31, 2012, the commercial gaming industry included:

- Provincial and national lottery games
- PlayNow.com
- 17 casinos
- 17 community gaming centres
- 10 commercial bingo halls
- 5 horse racetracks
- 22 horse racing teletheatres.

In 2011/12, the regulation of gaming in British Columbia included:

- New and renewed registrations for:
    - 4,781 gaming workers
    - 1,700 lottery retailers
    - 209 senior officials and senior employees
    - 925 horse racing workers
    - 59 gaming services and gaming equipment providers.
- Certification of 668 types of gaming equipment and/or supplies
- 465 audits of licensed gaming events and organizations' use of gaming grant proceeds
- Audits of 15 casinos, 17 community gaming centres, two horse racetracks and five commercial bingo halls
- 13,536 notifications of suspicious activity and potential wrongdoing
- Conducting compliance audits of BCLC and the gaming industry regarding all applicable public interest standards, directives, laws and regulations
- Operational reviews of every teletheatre in the province.

Strategic focus and special projects 2011/12

Anti-Money-Laundering Strategy

In 2011, GPEB formed a cross-divisional working group with the mandate to develop and implement stronger anti-money-laundering solutions within B.C.'s gaming industry. The main strategy is to shift British Columbia's gaming industry away from its reliance on cash brought in from outside gaming facilities.

Working with BCLC and gaming services providers, GPEB is evaluating options that allow patrons to access funds from within a gaming facility and directly from their banking institutions.

The options include:

- Providing currently available Patron Gaming Fund accounts through even more financial institutions or through certified cheques, bank drafts, verified-win cheques and cheques issued by Canadian casinos;
- Offering debit withdrawals at the casino cash cage; and
- Providing a "cheque hold" system for high-volume players.

Measures currently in place include:

- The Patron Gaming Fund, which provides casino customers with the option to keep money in a controlled account for use in casino gaming; and
- Automatic teller machines (ATMs) inside gaming facilities.

In addition to these measures, in 2012 GPEB introduced the Customer Convenience Cheque program. Provided when a player cashes out, the cheque is a safe alternative to cash and may total up to $8,000 per week. The customer's information is recorded when these cheques are issued, and the transactions are monitored for compliance with strict anti-money-laundering policies and procedures.

Horse racing revitalization

British Columbia's horse racing industry contributes $350 million (estimated in 2008) to the province's economy and provides more than 7,400 people with approximately 3,600 full-time equivalent jobs.

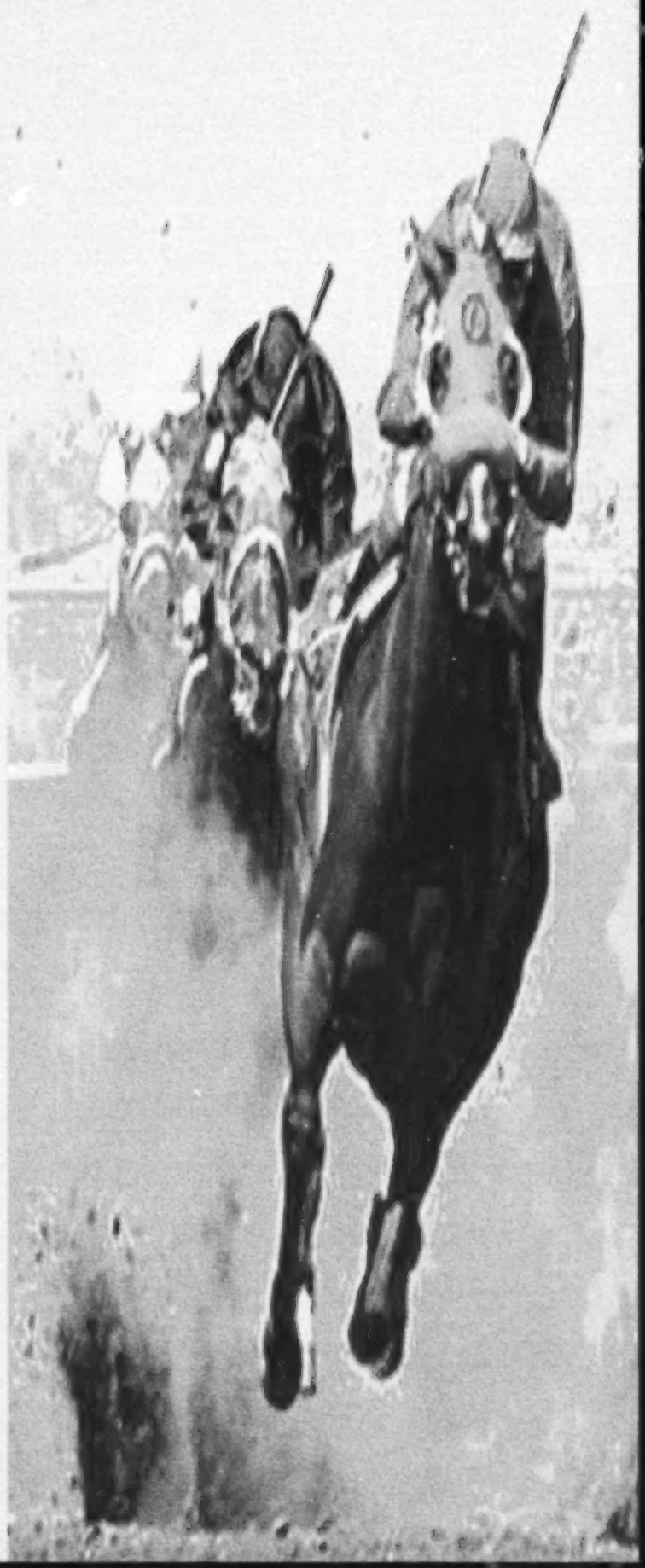
However, over the last several decades, the industry has been in decline. As has been the case throughout North America, attendance and wagering revenues have dropped significantly. In response to requests from the industry that it step in and help revitalize horse racing in B.C., the Province created the B.C. Horse Racing Industry Management Committee in November 2009. The committee includes leading horse racing industry and business experts, and its mandate is to provide strategic direction, decision-making and business leadership.

The committee has focused on creating a sustainable and transparent business model that benefits the entire industry. To help drive its activities and decisions, the committee consulted with trainers, bettors, track employees, the track operator and other interested stakeholders throughout the province. The main areas targeted for improvement have been:

- governance,
- cost efficiencies in operations,
- new revenue initiatives, and
- marketing.

In a report scheduled for early 2013 the committee will present the best case for making horse racing sustainable in British Columbia.

More information charting the progress of the committee is available at: http://www.gaming.gov.bc.ca/horse-racing/revitalization.htm



Ensuring citizens and communities are protected

Ensuring the right people and companies are involved in gaming

GPEB's registration program helps to prevent unsuitable candidates from entering the gaming industry. Every year, thousands of individuals and dozens of companies apply for registration.

Registrants are subject to a background investigation, which includes, but is not limited to, a criminal record check and a credit check. In some cases, an interview is conducted to confirm an applicant meets the required standards of integrity. If successfully registered, individuals and companies continue to be monitored to make sure they adhere to the conditions of registration set out in the Gaming Control Act and regulations.

There are three different kinds of registration: Corporate, personnel and lottery retailers.

Corporate Registration

The Corporate Registration Unit scrutinizes businesses and their executive personnel. Businesses registered with GPEB include many large public and privately owned companies, including casino, bingo and horse racing operators, as well as suppliers and manufacturers of gaming equipment (e.g., slot machines, automatic shufflers, etc). Corporate registration also registers other service providers, such as gaming consultants, ticket rafflers, security and ancillary services, including food and janitorial services provided at gaming facilities.

Personnel Registration

The Personnel Registration Unit registers all individuals involved in the gaming industry, except lottery retailers (see below). This includes all people directly involved in the industry (e.g., casino, bingo and horse racing workers), as well as those indirectly involved (e.g., BCLC and GPEB employees)

Registration of Lottery Retailers

In response to allegations of lottery retailer fraud in Ontario in 2006/07, GPEB began registering lottery retailers in 2007. As at March 31, 2012, there were 3,853 lottery retail outlets in the province, all managed by Branch registrants. The Branch continues to look at ways to make the registration system ever more efficient, while maintaining the integrity of lottery operations.

Table 1: Registration figures

Corporate Registrations	2011/12		2010/11	
	New	Renewal	New	Renewal
Gaming service providers	8	8	13	20
Gaming equipment suppliers	11	7	5	7
Ancillary service contractors	14	11	6	3
Senior officials and senior employees	133	76	136	117
Personnel Registrations	**2011/12**		**2010/11**	
	New	Renewal	New	Renewal
Gaming workers	3,200	1,581	2,659	2,517
Lottery retail managers	429	1,271	600	1,697
Horse racing workers	251	166	240	501
GPEB and BCLC personnel	167	373	107	30

Summary of Refusals, Revocations and Cancellations

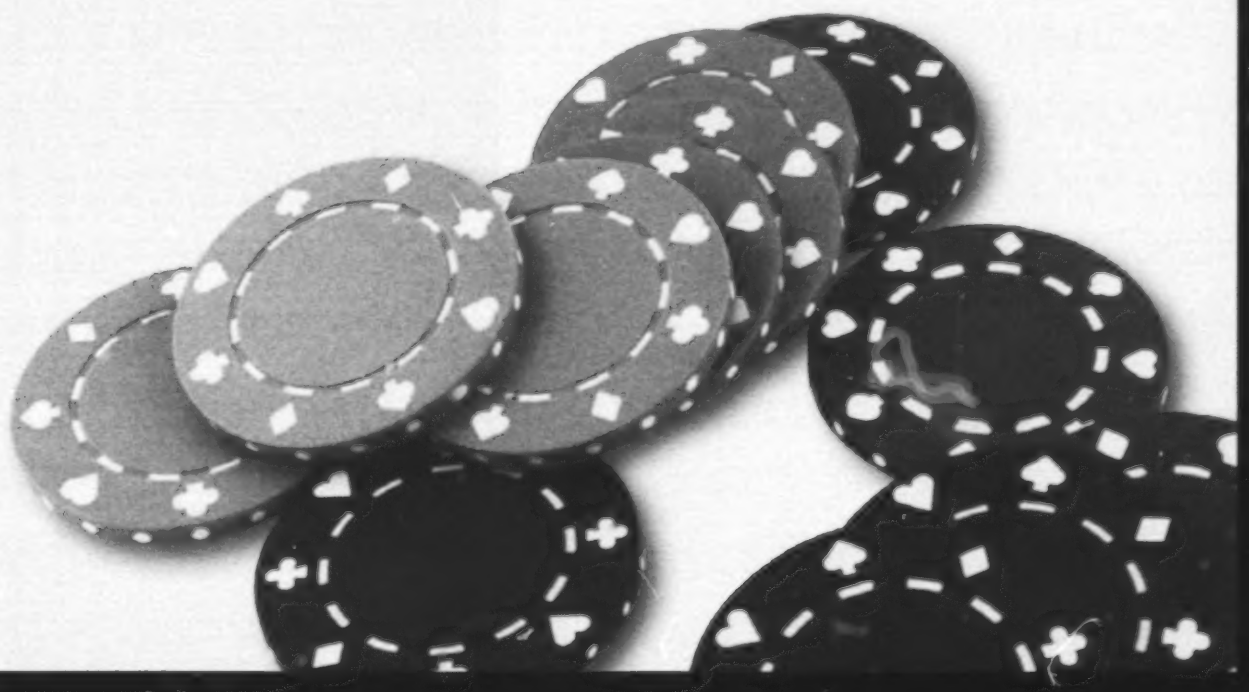
Every year, GPEB refuses a number of registrations for a variety of reasons. The most common involves inappropriate behaviour that calls into question the honesty and integrity of the applicant. Examples include failure to pass a criminal record check, to disclose outstanding criminal charges, or to provide information requested in the application or subsequent background investigation. While having a criminal record does not automatically result in refusal, all applicants are thoroughly vetted to ensure their suitability to participate in the gaming industry—a process that does not end when registration has been granted.

Through regulatory audits and investigations, registrants are monitored for compliance with the terms and conditions of registration. If the integrity of a registrant is called into question, or if he or she is found not in compliance with the regulatory requirements of the Gaming Control Act, GPEB's progressive disciplinary process will address these concerns. Based on the severity of the transgression, the Registration Division may issue a sanction, warning or suspension, or it may cancel registration altogether.

The table below shows the number of registrations revoked due to non-compliance. Under the "ceased" category, the table also indicates the number of individuals who voluntarily left the gaming industry.

Table 2: Summary of revocations and cancellations

Type of Registration	2011/12			2010/11		
	Denied	Revoked	Ceased	Denied	Revoked	Ceased
Gaming workers	32	29	2,966	19	10	2,574
Horse racing workers	2	3	0	10	1	0
Lottery retail managers	2	4	2,289	10	7	2,224
BCLC and GPEB personnel	0	0	484	0	0	235



Ensuring gaming supplies are fair

GPEB's certification process ensures that gaming supplies work properly and deliver the stated odds of winning. Only GPEB-certified gaming supplies may be used in British Columbia's gaming venues.

Gaming supplies include slot machines and related casino computer systems, lottery products (including pull-tab tickets and Scratch & Win tickets), lottery terminals, self-checking lottery machines, electronic table game equipment, lottery draw systems, bingo supplies, table game supplies, and Internet gambling software.

All gaming supplies are tested in registered testing facilities, which verify product compliance with technical standards published by GPEB. In cases where a new lottery scheme would be best tested in a live environment, an interim certification may be granted as a first step in the full certification process. All equipment manufacturers and suppliers must ensure their products meet or exceed GPEB's standards.

GPEB investigates reports of malfunctioning gaming supplies and issues with lottery products.

In 2011/12, the Branch conducted 19 technical investigations of gaming equipment malfunctions and lottery product complaints.

Gaming supplies are routinely upgraded and improved. This means their original certification may no longer be valid. Certification is suspended or revoked when a manufacturer or registered testing facility reports that a particular gaming product no longer meets the technical standard under which it was approved.

Gaming supply malfunctions can also lead to a certification suspension or revocation, but revocations due to malfunctions are rare. Software upgrades account for the majority of revocations.

In all instances, gaming supplies whose certification has been suspended or revoked must be removed from the gaming floor or from the Playnow.com website until they are repaired, modified or upgraded. A new Certificate of Technical Integrity is required before the gaming supplies can be returned to service.

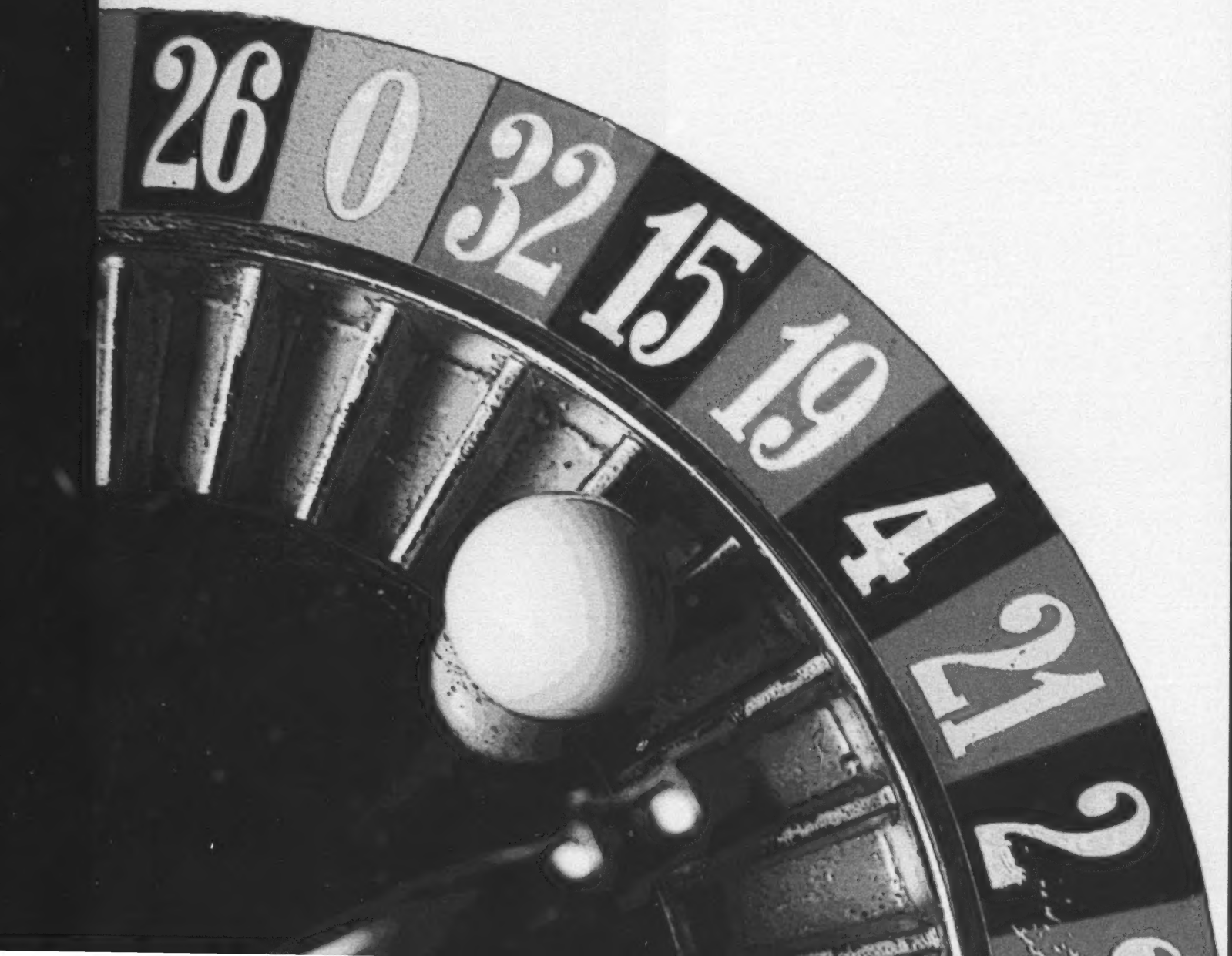
Table 3: Gaming supplies certifications

Type of Certification	2011/12		2010/11	
	Certifications	Revocations	Certifications	Revocations
Pull-tab lottery tickets	15	0	16	0
Scratch & Win lottery tickets	58	0	54	1
eLottery (PlayNow.com interactive games)	26	6	50	38[1]
Electronic gaming devices and other supplies	569	64	430	51

1 Games revoked as a result of technical issues with the initial launch of BCLC's casino-style games on PlayNow.com. These games were subsequently re-certified.

Quality Assurance and Risk

In 2011/12, GPEB restructured its former Internal Compliance and Risk Management Division into the new Quality Assurance and Risk Division. The division is responsible for the development and maintenance of a strategic commitment, operations, risk and evaluation framework for gaming in B.C. (also known as the SCORE framework). The division also monitors and reports on accountability and compliance with this framework. This includes a comprehensive approach for identifying and managing risks, and for identifying opportunities and processes to mitigate those risks within GPEB and B.C.'s gaming industry as a whole. Other responsibilities include a business continuity program, staff whistleblower and public complaints programs and internal processes to ensure the Branch fulfills its mandate and complies with government legislation.



Ensuring compliance with regulations and standards

The audit program

Under the Gaming Control Act and regulation, GPEB has the authority to monitor compliance with all applicable gaming legislation, regulations, policies, directives and public interest standards.

To ensure compliance, GPEB monitors the commercial gaming sector (including BCLC), the licensed charitable gaming sector, and community organizations' use of gaming proceeds. The Branch also runs public education programs to help improve compliance.

The Audit Division has two distinct work units: Commercial Gaming and Charitable Gaming.

Commercial Gaming Audit Unit

The Commercial Gaming Audit unit is divided into three streams:

The first stream focuses on commercial gaming facilities. It carries out compliance audits of gaming services providers' conduct, management and operation of commercial gaming activities. GPEB determines which commercial gaming sites in the province will be audited each year based on a thorough risk assessment. The audit findings for commercial casinos are available at: www.pssg.gov.bc.ca/gaming/reports/audits.htm

The second stream focuses on BCLC's conduct and management of lottery gaming, including the Corporation's PlayNow.com website. This includes inspections of BCLC's lottery retail sites throughout the province.

The third stream focuses on BCLC's compliance with gaming laws, regulations and public interest standards in relation to all forms of gaming in B.C.

GPEB manages a comprehensive commercial gaming audit plan with three core objectives:

- Verify compliance with the Gaming Control Act, Gaming Control Regulation, GPEB directives and public interest standards.
- Maintain the integrity, fairness, security and public safety of the gaming environment, gaming equipment, gaming assets and gaming supplies.
- Confirm that a safe and supportive environment for the delivery of gaming products and services is in place, gambling risks are minimized, and effective and timely information and help is provided to individuals experiencing distress.

Charitable Gaming Audit Unit

The Charitable Gaming Audit Unit carries out compliance audits of licensed gaming events. This includes checking for compliance with terms and conditions for both event conduct and use of proceeds, and ensuring the appropriate use of gaming grant funds. GPEB determines which licensed gaming events and gaming grant recipients will be audited each year based on a thorough risk assessment. The audit findings for large-scale registered ticket raffles are available at www.pssg.gov.bc.ca/gaming/reports/audits.htm.

This unit also works to improve compliance through education of those organizations receiving gaming funds and those conducting gaming events. It ensures the proper use of gaming proceeds and enhancing financial accountability on the part of these organizations.

In 2011/12, GPEB changed its approach of selecting organizations to be audited from random selection, to a risk-based selection method, which included risk factors that would reflect non-compliance. Auditors included, amongst other things, feedback from other Divisions and a pre-screening questionnaire in their selection process.

The approach identified a number of organizations that demonstrated varying degrees of non-compliance. Issues existed in the organizations' structures, their expenditure of gaming funds, the way they conducted their licensed events and their reports to the Branch. This brought the percentage of audited gaming fund recipients found in full compliance down to 39 per cent.

Table 4: Charitable and commercial audit activity

Type of Audit	2011/12	2010/11
Commercial gaming site compliance audits	39	36
Compliance audits of BCLC's commercial gaming business, including PlayNow.com	32	18
Commercial gaming audits of the corporation's lottery business (e.g. , lottery prize payout)	6	10
Inspections of lottery retailers	735	792
Audits of charitable organizations receiving grants and conducting licensed gaming events	465	456
Percentage of audited gaming fund recipients in compliance	39%[1]	75%

1 The compliance percentage has decreased significantly in comparison with the previous year for a number of reasons, most notably, the fact that in 2011/12, GPEB auditors focused on organizations expected to be found not in compliance (based on their analysis of the gaming environment and a thorough risk assessment of the gaming population).

Enforce the rules and regulations of horse racing

GPEB regulates horse racing events in B.C., develops rules of horse racing, and licenses all participants in the industry. Horse racing statistics are reported by calendar year.

Racing Division staff are present at all operating racetracks in the province. In 2011, GPEB oversaw 1,333 races on 148 race dates at five provincial tracks.

The Racing Division develops rules and policies to ensure the horse racing industry operates fairly and with integrity. The division also revises the Rules of Thoroughbred and Standardbred Horse Racing in British Columbia and meets regularly with industry stakeholders to address issues.

British Columbia's horse racing industry employs approximately 2,700 licensed owners, jockeys, drivers, trainers, grooms and exercise riders, all of whom must be licensed and registered with GPEB. In 2011/2012, 925 horse race workers were either licensed for the first time or had their licence renewed.

Table 5: British Columbia horse racing summary

Thoroughbred Tracks	Race Days		Live Races		Horses Ran	
	2011	2010	2011	2010	2011	2010
Hastings Racecourse (Vancouver)	71	71	550	564	4,269	4,533
Sagebrush Downs (Kamloops)	0	5	0	24	0	127
Sunflower Downs (Princeton)	2	1	14	8	65	49
Kin Park (Vernon)	2	3	10	16	61	94
Total	75	80	574	612	4,395	4,803
Standardbred Track	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Fraser Downs Racecourse (Surrey)	73	88	759	985	6,146	8,133
Total	73	88	759	985	6,146	8,133

Table 6: Horse race wagering ($ figures in thousands)

Wagers at Hastings Park (HP)	2011
HP live races	$11,965,475.00
HP simulcast wagers	$78,434,865.20
Total	**$90,400,340.20**
Wagers at Fraser Downs (FD)	
FD live races	$2,703,588.40
FD simulcast wagers	$25,895,480.80
Total	**$28,599,069.20**
Wagers through Teletheatre BC	
Wagers on HP races	$1,574,572.40
Wagers on FD races	$999,668.80
Wagers on other racetracks	$50,047,352.00
Total	**$52,621,593.20**
Total	**$171,621,002.60**

Regulating the horse racing industry means that GPEB is responsible for enforcing and adjudicating the rules and regulations related to racing. The Branch looks at all activities on the track or in the backstretch that could have a negative impact on the integrity of horse racing.

In 2011, GPEB's stewards and judges issued a total of 194 rulings. Of these, 88 were for thoroughbred racing infractions (issued by stewards), and 106 were for standardbred racing infractions (issued by judges).

Table 7: Horse racing rulings

Standardbred Rulings	2011	2010
Whipping violations	23	23
Racing or driving infractions committed during a race	43	61
Drug or alcohol infractions involving either horses or registered horse racing workers	8	12
Inappropriate behaviour in the backstretch area of a racetrack	8	16
Licensing or registration violations	5	0
Horses that bled during a race	1	0
Restoration of a horse or a horse racing worker to good standing	11	12
Other categories	7	3
Total Standardbred Rulings	**106**	**127**

Thoroughbred Rulings	2011	2010
Whipping violations	22	35
Racing or driving infractions committed during a race	14	23
Drug or alcohol infractions involving either horses or registered horse racing workers	4	3
Inappropriate behaviour in the backstretch area of a racetrack	22	11
Licensing or registration violations	6	20
Horses that bled during a race	6	5
Restoration of a horse or a horse racing worker to good standing	7	13
Other categories	7	3
Total Thoroughbred Rulings	**88**	**113**

Investigate allegations of wrongdoing related to gaming

To ensure the integrity of gaming in British Columbia, GPEB investigates all reported instances of real or suspected wrongdoing in gambling and horse racing. The Branch investigates, or assists law enforcement agencies in investigating, reports of suspected criminal activity or regulatory infractions related to legal gaming and horse racing.

BCLC, service providers, licensees and registrants (including lottery retailers) are legally required to notify GPEB without delay of any conduct, activity or incident connected to a lottery scheme or horse racing that may be considered contrary to the Criminal Code of Canada, the Gaming Control Act, or Regulation. This includes incidents at a gaming facility and those connected to lottery products. Any other matters that may affect the integrity of gaming and horse racing must also be reported, including, but not limited to cheating at play, theft, fraud, money laundering, loan sharking, robberies, assaults and threats.

GPEB investigates regulatory offences and those related to the Criminal Code of Canada (CC). Under the Gaming Control Act (GCA), GPEB has the authority to issue warnings, administer sanctions or issue tickets.

Other activities include conducting post-registration and post-licensing investigations; working in conjunction with law enforcement agencies to investigate illegal gambling activities, such as unauthorized lottery schemes; and providing gaming expertise, proceeds-of-crime assistance and forensic investigation to law enforcement agencies throughout the province.

GPEB maintains strong relationships with the RCMP and municipal police departments across jurisdictions, to increase awareness of gaming-related enforcement issues and to identify potential suspects involved in unlawful gaming activity. The Branch uses these working relationships to help identify trends in unlawful activity, and to help gather and share intelligence concerning unlawful activity in gaming and horse racing.

In 2011/2012, Investigation and Regional Operations Division conducted ongoing gaming investigations using minors with assistance from stakeholder partners. This involved lottery retailers in the province where enforcement actions resulted in a number of lottery retailers and/or employees being charged under Section 89(3) GCA – Sale of Lottery Tickets to a Minor. Investigation and Regional Operations Division will continue to undertake enforcement actions of this nature, including the use of minors, on an ongoing basis. These actions will insure that the integrity of gaming is upheld, and that lottery retailers and other service providers to the gaming industry are compliant and not contravening provisions of the Gaming Control Act.

In 2011/12, GPEB opened 13,536 files based on notifications and/or complaints of suspicious activity, or suspected wrongdoing in legal gaming venues. Of these files, 1,687 involved reports of individuals who entered a gaming facility when they had been legally prohibited to do so.

All 13,536 files were opened by GPEB. Some files were handled by GPEB and others were handled by police of jurisdiction and/or were forwarded to other bodies, for example, the RCMP, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), the Canada Border Services Agency, etc. Please see table 8 for details.

The most common reasons for an investigation not to lead to a sanction are:

- Lack of sufficient evidence to lay charges;
- Lack of an identified suspect; and
- Cases resolved to the satisfaction of all parties before GPEB became involved.

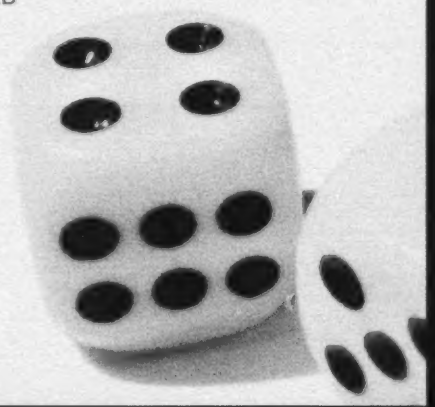


Table 8: Investigation activity related to real or suspected wrongdoing

Types of Notification	Number Opened	Cleared Files							Ongoing
		Unfounded	Warning	GCA Admin[1]	GCA Charge	CC Charge	Intelligence[2]	Other[3]	
Theft	1,506	78	0	0	0	48	0	1,270	110
Assault	202	4	0	0	0	14	0	172	12
Threats	226	10	0	0	0	2	0	212	2
Fraud	201	30	0	0	0	11	0	134	26
Loan sharking	8	0	0	0	0	0	8	0	0
Suspicious currency transactions/ money-laundering	861	21	0	0	0	0	759	30	51
Cheat at play	174	87	0	0	0	2	0	73	12
Counterfeit	447	1	0	0	0	0	444	2	0
GCA violations	272	10	8	149	2	0	5	71	27
VSE[4] prohibited	4,077	1	0	0	0	0	4,069	5	2
Prohibited (other)	1,687	0	0	0	2	0	1,669	6	10
Unclassified[5] (types not categorized above)	3,875	24	0	0	0	9	421	3,305	116
Total	**13,536**	**266**	**8**	**149**	**4**	**86**	**7,365**	**5,280**	**368**

1 Breaches of licence or registration conditions.
2 Includes forwarding data on suspect individuals and groups to police of jurisdiction, RCMP Proceeds of Crime, Major/Commercial Crime, FINTRAC, etc., and maintaining data for future potential investigations.
3 Includes reports where there is insufficient evidence to lay charges, assisting police of jurisdiction on unrelated criminal matters, unidentified suspects and reports of non-reportable issues.
4 Voluntary Self-Exclusion.
5 These reports may be in regard to a variety of specific notifications, including drugs (found, person using or person trafficking), chips/cash passing between patrons, false identification, vandalism, among others.

Supporting citizens and communities

Problem gambling and responsible gambling programs

In 2003, the Province launched its Responsible Gambling Strategy, which has three core goals:

- Create public awareness of risks associated with gambling
- Deliver gambling in a manner that encourages responsible gambling and informed choice
- Provide treatment and support to those impacted by problem gambling

These goals guide the delivery of service in two areas: responsible and problem gambling awareness and education, and problem gambling counselling.

Creating Public Awareness of Risks Associated with Gambling

As part of this goal, GPEB informs the public of the risks inherent to gambling, encourages players to know their limit and play within their means, and fosters public awareness of problem gambling issues and of services available to those who need them.

The Branch contracts a number of service providers (77 in 2011/12) to deliver community-based programs that provide problem gambling prevention and responsible & recreational gambling education information. These programs encourage people to make healthy choices. Participants also learn to identify problem gambling behaviour, how to self-regulate their gambling behavior responsibly and where to access counselling for themselves or affected others.

The program also exposes gambling myths and discusses responsible gambling practices. Over 3,504 presentations were offered to 81,992 people in 2011/12 before a variety of audiences:

- Children, youth and young adults
- Higher risk adults
- General adult populations
- Allied professionals

Deliver Gambling in a Manner that Encourages Responsible Gambling and Informed Choice

GPEB administers several programs to ensure the gambling industry operates in accordance with the Province's responsible gambling policies and practices.

GameSense Information Centres
GameSense Advisors present responsible gambling information at GameSense Information Centres in every casino in BC. A total of twenty-five GameSense Advisors share responsible gambling information and practices with interested patrons and direct anyone experiencing gambling-related distress to the Responsible and Problem Gambling Program and/or to BCLC's Voluntary Self-Exclusion Program.

Casinos and community gaming centres feature touch-screen interactive terminals, which provide engaging education modules at the push of a button or the touch of a screen.

GameSense Advisors are under contract to GPEB. The advisors and the information centres are co-managed by GPEB and BCLC. The centres were previously called Responsible Gambling Information Centres.

Appropriate Response Training
The Appropriate Response Training is an educational program for gaming workers designed to enhance their knowledge, awareness, attitudes and skills, and to enable them to respond appropriately to patrons who may be experiencing distress in a gaming facility. GPEB supports Appropriate Response Training by providing responsible gambling specialists to co-facilitate the training sessions with BCLC.

When gambling isn't fun anymore
Help is available
All day. Every day.
When gambling isn't fun anymore
When gambling isn't fun anymore
When gambling isn't fun anymore
Help is available
All day. Every day.

Responsible Gambling Standards
The Province issued responsible gambling standards for the British Columbia gaming industry in 2005 to ensure that:

- minors are prevented from participating in gambling activities,
- patrons are equipped to make informed decisions regarding gambling,
- gambling-related risks are minimized, and
- people affected by excessive gambling have access to timely and effective information and help.

These standards apply to BCLC, all gaming services providers, all commercial gaming facilities and all community organizations licensed to conduct charitable gaming events.

Last fiscal (2010/11), GPEB and BCLC reviewed and updated responsible gambling standards pertaining to the advertising of gambling products and venues. The updated framework for gambling-related advertising in B.C. outlines new responsible gambling messaging requirements across established mediums and social media platforms. This framework will help GPEB and BCLC better protect the public, including minors.

In 2011/12, GPEB audited 13 casinos, two racetracks, 15 community gaming centres and five commercial bingo halls for compliance with responsible gambling standards. The Branch also monitors BCLC, licensee and service provider gaming event advertising to ensure that it complies with responsible gambling public interest standards. Approximately 19 per cent of lottery retailers were inspected to ensure they complied with gaming legislation, directives, policies and procedures.

Compliance audits focus on five key areas:

- *Informed choice* – includes proper use of the "Know your limit, play within it" tagline, an appropriate level of responsible gambling messaging, and availability of rules of play and of information regarding the odds of winning

Table 9: B.C. Responsible and Problem Gambling Program statistics

Program Figures	2011/12	2010/11
Total help line calls (includes erroneous calls and hang-ups)	4,611	5,932
Calls made to help line specific to problem gambling	4,212	3,856
Referrals to the Responsible and Problem Gambling Program	2,629	2,737
Clients served	2,079	2,038
Number of prevention information sessions delivered	3,504	1,703
Contracted Service Providers		
Clinical counsellors	29	30
Prevention service providers	20	14
Provincial coordinators	2	2
GameSense Advisors	26	26

- *Appropriate response* – includes ensuring gaming workers have received Appropriate Response Training
- *Responsible practices* – includes practices such as placing clocks in highly visible areas and other requirements.
- *Financial transactions* – includes prominently displaying information describing payout policies and stating that credit will not be extended
- *Voluntary Self-exclusion Program* – means having a fully operational program, readily available information on the program and effective monitoring of gaming facilities for excluded individuals

Provide Treatment and Support to Those Impacted by Problem Gambling

In 2011/12, GPEB's 29 contracted clinical counsellors provided problem gambling counselling across British Columbia. Problem gambling counselling services are free of charge for anyone directly or indirectly experiencing a gambling problem. Individuals, couples, family and group counselling services are available. Outreach counselling and telephone counselling is available for clients in remote locations.

The 24-hour toll-free Problem Gambling Help Line can be reached at 1-888-795-6111. Operators provide crisis counselling and refer callers to various treatment and support services provided by the Province and allied professionals.

Funded by GPEB, the Help Line and free counselling and support services comprise an immediate response network to ensure that professional help is readily available for anyone experiencing issues due to excessive gambling.

An intensive day-treatment program called Discovery is also offered in both weekend and five-day workshops each month on Vancouver Island and the Lower Mainland. Participants may enroll for all or part of this program. In 2011/12, Discovery ran 10 out of 12 months of the year, with the participation of 326 individuals.

For information on the future direction of problem and responsible gambling initiatives in the province, refer to the Responsible Gambling Strategy Three-year Plan, available online at www.pssg.gov.bc.ca/gaming/reports/docs/plan-rg-three-yr-2011-2014.pdf

Community Gaming Grants

Through the community gaming grant program, GPEB distributes funding to community organizations to support a wide array of programs and services across the province. Organizations receive funding based on their sector, the programs and services they deliver, and their financial need.

In 2011, responsibility for the community gaming grant program shifted to the Ministry of Culture, Sport and Community Development. While grant eligibility and approval rests now with this ministry, GPEB is still responsible for managing all administrative functions related to the program, including financial oversight, audit, IT services and corporate support. The Gaming Control Act has been amended to enact this shared responsibility.

In 2011/12, GPEB distributed $135 million to approximately 5,300 non-profit organizations. Funds were distributed to organizations within the following six sectors:

- *Human and social services* – programs that significantly contribute to the quality of life in a community, including eligible programs presented by service organizations and service clubs
- *Public safety* – programs that support public safety initiatives, disaster relief and emergency preparedness in British Columbia
- *Art and culture* – programs that enhance performing arts, media arts or visual arts, literature, heritage or culture for youth 18 and under in the broader community. Also fairs, festivals and museums, which include cultural or heritage programs and/or displays of broad community interest suitable for all ages.
- *Sport* – programs that enhance sports participation for youth 18 years and under and people of all ages with a disability
- *Environment* – programs that enhance British Columbia's environment or protect the welfare of animals and wildlife
- *Parent Advisory Council (PAC) and District Parent Advisory Council (DPAC)* – PACs and DPACs are eligible for community gaming grants. In 2011/12, PACs received $20 per student per year; DPACs received grants of $2,500 each year.

Table 10: Distribution of Community Gaming Grants

NOTE: Certain figures in the 2010/2011 column below, including the total, are restated since the 2010/11 GPEB annual report.

Sector	Sub-sector	2011/12 ($ Millions)	2010/11 ($ Millions)
Human and social services	Community service organizations	$7.7	$10.8
	Disadvantage distress poverty	$25.9	$29.8
	Public community facilities	$4.2	$5.5
	Public health in the community	$11.1	$12.5
	Education community	$11.9	$11.0
	Enhancement of youth	$5.3	$6.5
	Not classified	$0.3	$0.5
	Education post-secondary alumni	-	$0.1
Arts and culture	Arts and culture	$8.3	$8.7
	Fairs, festivals, museums	$4.0	$1.5
	Youth arts and culture	$5.0	$1.8
Sports	Sports - youth/ people with disabilities	$26.9	$22.3
	Sports - adult	$0.9	$0.3
	Sports - general	$0.6	$1.1
Enhancement of public safety		$7.0	$6.3
Environment	Protection of animals and conservation of the environment	$2.6	$1.4
Parent Advisory Councils and DPACs		$11.9	$14.8
Priority program one-time grants		$1.4	$0.0[1]
Total		**$135.0**	**$135.0**

1 In 2010/11, funding of priority program one-time grants was accounted for in the other sectors and sub-sectors in the table

Gaming licences

GPEB issues gaming event licences to eligible community organizations throughout B.C. that wish to raise funds to support their local programs and services. Licences are issued with the understanding that charitable organizations will also honour municipal by-laws.

In 2011/12, the Branch issued almost 9,900 licences. In all, community organizations raised an estimated $33.3 million to support their projects and services—a slight decrease from the $33.8 million raised in 2010/11.

It is the Branch's responsibility to ensure that charitable gaming events are conducted fairly and transparently. That is why the Branch ensures that organizations applying for a gaming event licence are in good standing, have a democratic governing structure and open membership, and operate according to sound financial practices. GPEB also conducts regular audits of licensees to ensure they follow rules and guidelines designed to protect the public.

The gaming events that can be licensed are ticket raffles, independent bingos (conducted in facilities other than commercial bingo halls), wheels of fortune, social occasion casinos (casino-style events without slot machines) and Texas Hold'em poker tournaments.

GPEB offers four different types of gaming licences—Class A, B, C or D—depending on the organization's structure and operation, the amount of money it expects to raise, and the prize value and ticket price of its event.

All charitable gaming events must be operated on a not-for-profit basis, and net revenues must go to programs or services run by charitable, religious or community organizations that directly benefit the community. In addition, GPEB must approve the organizational structure of organizations conducting Class A, B, or C gaming events.

Classes of gaming licences

Class A
Issued to eligible charitable and religious organizations for gaming events expected to generate gross revenue exceeding $20,000.

Class A gaming events earned an estimated $18.1 million in 2011/12.

Class B
Issued to eligible charitable and religious organizations for gaming events expected to generate up to $20,000 in gross revenue.

Class B gaming events earned an estimated total of $9.5 million in 2011/12.

Class C
Issued to approved community fairs and exhibitions that operate ticket raffles, bingos, wheels of fortune, and limited casinos. These licences are issued to a select number of established fairs and exhibitions on a case-by-case basis.

Class C gaming events earned an estimated total of $2.4 million in 2011/12, most of which was earned by the Pacific National Exhibition.

Class D
Issued to eligible groups or organizations wishing to conduct small-scale fundraising events expected to generate up to $5,000 in gross revenue. This licence category was introduced in 2007 in response to requests from groups, individuals and organizations that could not meet the eligibility criteria in place for larger fundraisers, but still wished to contribute to programs and services in their communities.

Class D gaming events are restricted to ticket raffles and independent bingos. Eligibility is based on how the money raised will be spent.

Class D gaming events earned an estimated total of $3.3 million in 2011/12.

Table 11: Charitable gaming events (all $ figures in thousands)*

License Class	License Type	2011/12 Number	2011/12 Earned	2010/11 Number	2010/11 Earned
Class A	Minor Raffle	200	$3,519.3	175	$2934.0
	Major Raffle	34	$2,742.7	29	$1,916.3
	Registered Raffle	22	$9,604.0	19	$11.902.8
	Independent bingos	105	$2,244.1	116	$2,711.6
	Social occasion casino	1	$10.0	1	$22.5
	Total Class A Licenses	**362**	**$18,120.1**	**340**	**$19,487.2**
Class B	Raffles	3,861	$8,927.6	4,105	$8,356.9
	Independent bingo	122	$331.9	119	$288.9
	Wheels of fortune	15	$18.9	26	$31.8
	Social occasion casino	32	$34.7	25	$32.8
	Poker	114	$195.4	125	$208.9
	Total Class B Licenses	**4,144**	**$9,508.5**	**4,400**	**$8,919.4**
Class C	Raffles	3	$2,012.7	4	$2,242.0
	Independent bingo	0	$0	1	$0.2
	Limited casino	0	$0	1	$137.6
	Wheels of fortune	2	$362.7	2	$201.2
	Total Class C Licenses	**5**	**$2,375.4**	**8**	**$2,583.0**
Class D	Independent bingo	101	$83.8	100	$74.2
	Raffles	5,285	$3,253.4	4,281	$2,728.7
	Total Class D Licenses	**5,386**	**$3,337.2**	**4,381**	**$2,802.9**
Total – All Class Licenses		**9,897**	**$33,341.2**	**9,129**	**$33,792.6**

* Based on reported and estimated earnings

Where the money goes

Commercial gaming revenue comes from casinos, community gaming centres, commercial bingo halls, lotteries and PlayNow.com. In 2011/12, commercial gaming in British Columbia, excluding horse racing, grossed $2.70 billion—an increase of $23 million over 2010/11. After prize payouts and expenses, government revenue from gaming totaled $1.11 billion.

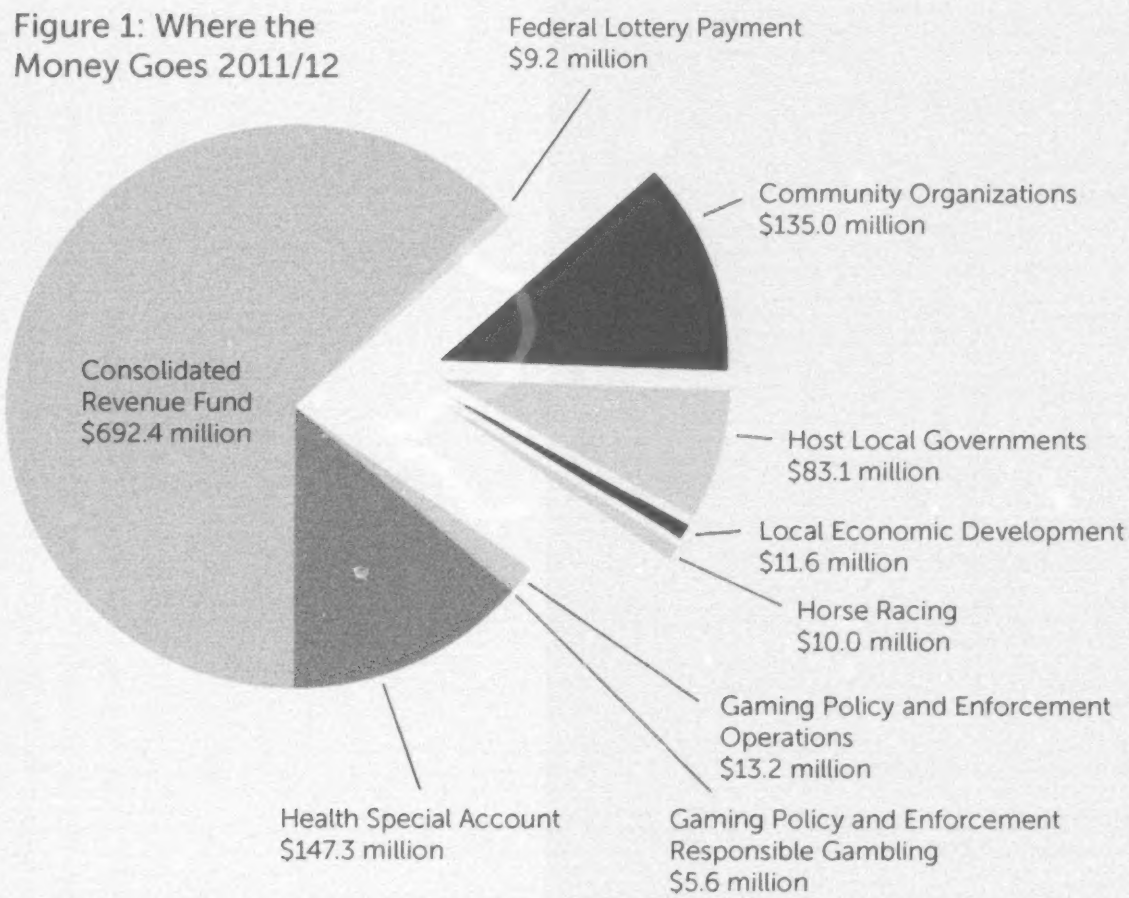
This revenue supports local communities, the horse racing industry, GPEB operations, and essential government programs. As part of a revenue-sharing agreement between the federal and provincial governments, $9.2 million of lottery revenues was remitted to the federal government.

Local communities

In 2011/12, the Province distributed $135 million in community gaming grants to approximately 5,300 community organizations. But community gaming grants are only one way in which local communities benefit from gaming revenues.

Local governments that host casinos and/or community gaming centres receive 10 per cent of net gaming income from casino gaming. This funding may be used for any purpose, as long as it's of public benefit to the host community. In 2011/12, the Province paid $83.1 million in grants to 30 host local governments (a $0.8 million increase from 2010/11). A further $11.6 million for local economic development funding was paid to communities that host destination casinos.

Figure 1: Where the Money Goes 2011/12



Since 1999, the B.C. government has distributed over $773 million in gaming revenue to local governments.

Gaming funds support a wide variety of community programs, capital projects and other initiatives. For example, in 2011/12, several host local governments used gaming revenue to enhance local infrastructure, including recreation facilities in Fort St. John. This fiscal year, gaming revenues also supported a number of community activities and recreation, including the Malaspina Choir in Nanaimo, the swim club in Williams Lake, and family-friendly events in Maple Ridge.

Government dedicated a $10 million grant to help revitalize the horse racing industry in B.C.

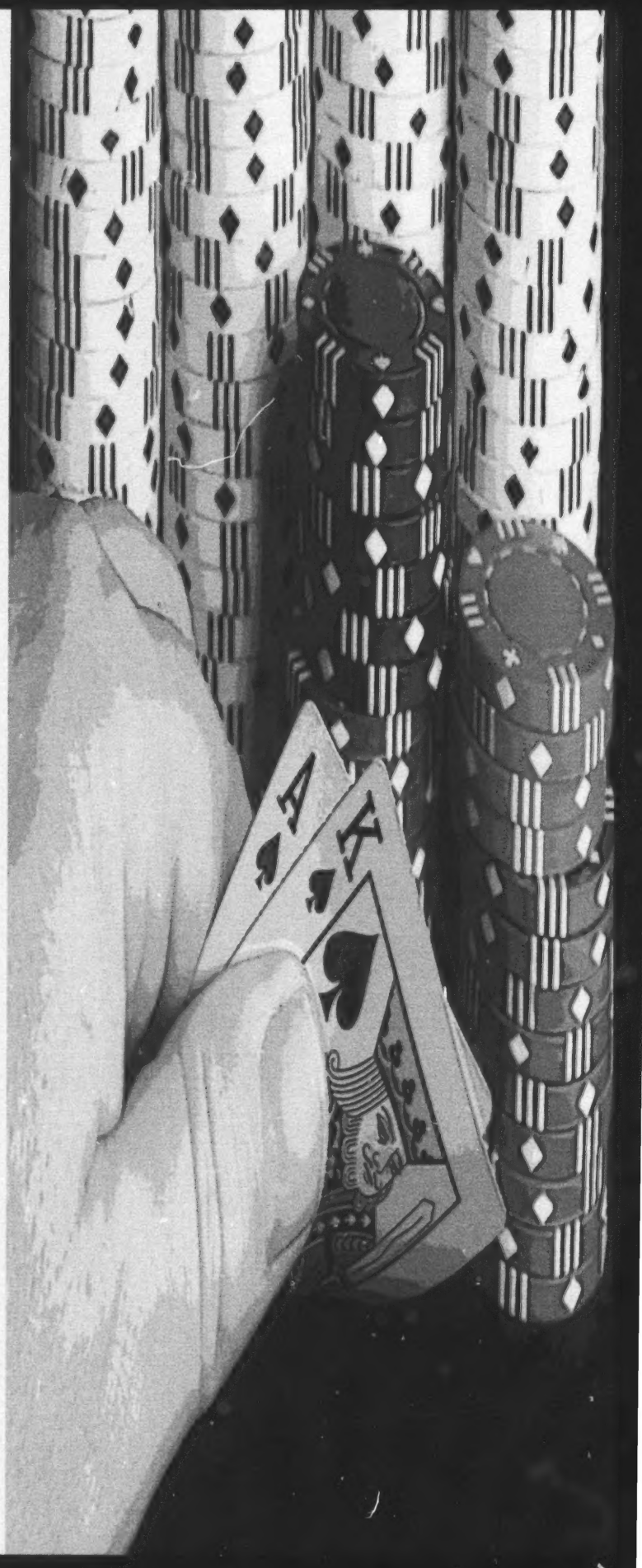
Essential government services

In 2011/12, $147.3 million in gaming revenue was directed to the B.C. Government's Health Special Account, to be used exclusively for health promotion and health education services. More than $2 billion has been paid directly into this account since its creation in 1992.

In 2011/12, $692.4 million was allocated to the Consolidated Revenue Fund to support social programs, primarily health care and education. In the past 10 years, over $4.5 billion in gaming revenue has been directed to this fund.

Gaming Policy and Enforcement Branch operations

In 2011/12, GPEB spent $18.8 million on the regulation of gaming, an increase of $0.4 million from 2010/11. Core operating costs accounted for approximately $13.2 million; Responsible Gambling Strategy programs accounted for the other $5.6 million.



Looking ahead

Responsible Gambling Awareness Month

Following the success of the first Responsible Gambling Awareness Month, which took place in Vernon in January 2012, GPEB and BCLC intends to expand the event to other communities in British Columbia.

The intention is to raise awareness of responsible gambling practices and to connect people to community resources and services to address issues related to excessive gambling.

In its new format, the event will feature Responsible Gambling Awareness activities in five different communities across B.C.—Vernon, Kamloops, Prince George, Langley and southern Vancouver Island's Western Communities (View Royal, Langford and Colwood). Events won't happen simultaneously in all five participating communities; Responsible Gambling Awareness Month will in fact be comprised of five successive Responsible Gambling Awareness Weeks, each taking place in a particular community.

Activities in each Responsible Gambling Awareness Week could include:

- Kick-off in each community, featuring municipal authorities and guest speakers from BCLC and GPEB's Responsible and Problem Gambling (RPG) program
- Trade show-style event with booths for BCLC, the RPG program, service providers and community services
- Mobile "Myth-busting Kiosks" to travel to significant business and high traffic locations (malls, community centres, grocery stores, etc.) throughout each week.

BRITISH
COLUMBIA

Appendices

Appendix A: Gaming industry legal and operating framework

In B.C., gaming is regulated under the Criminal Code of Canada and the provincial Gaming Control Act. In 2011/12, responsibility for the effective regulation of gaming resided first with the Ministry of Public Safety and Solicitor General and then, as of September 5, 2012, with the Ministry of Energy, Mines and Natural Gas.

The minister is not involved in decisions regarding individuals or specific companies or organizations, nor in the day-to-day management of gaming.

Regulating B.C.'s Gaming Industry

The Gaming Policy and Enforcement Branch, which regulates gaming in B.C., is made up of seven divisions:

- *Corporate Services and Responsible Gambling* – responsible for developing and maintaining the policy and regulatory framework for gaming and horse racing. This division establishes industry-wide public interest standards and manages responsible gambling initiatives and problem gambling treatment programs. In addition, it provides financial advice to GPEB's Executive, administers the Branch budget, makes payments on behalf of the Branch, and provides policy and information technology support.
- *Licensing and Grants* – distributes grants to community organizations and issues gaming event licences to eligible organizations.
- *Racing* – regulates and manages horse racing.
- *Registration and Certification* – conducts financial and personal background checks on all gaming services providers and gaming workers. This division also approves and certifies all gaming equipment used in the province.
- *Audit and Compliance* – conducts compliance audits of BCLC, commercial gaming, lottery gaming, licensed gaming events and community organizations' use of gaming proceeds.
- *Quality Assurance and Risk* – manages GPEB's strategic planning, quality assurance program, records management, freedom of information requests and coordinates the Branch's and industry's risk management strategies.
- *Investigations and Regional Operations* – fulfills GPEB's enforcement function and is responsible for investigating all complaints and allegations of regulatory wrongdoing. This division assists law enforcement agencies in criminal investigations in or near gaming and horse racing facilities in B.C.

Conduct and Management of Gaming in B.C.

British Columbia Lottery Corporation

The B.C. Lottery Corporation conducts and manages all commercial gaming in the province, with the exception of horse racing. Headed by a board of directors (appointed by the Lieutenant Governor on the recommendation of the Executive Council), the Corporation reports to the Minister of Energy, Mines and Natural Gas and is regulated by GPEB. The Corporation manages all contracts and formal relationships with service providers, as well as all lottery agreements with other provinces and the federal government. It also sets the rules of play for lotteries, casinos, community gaming centres and commercial bingo halls.

Horse Racing Service Providers

GPEB licenses private companies to conduct and operate live horse racing events at 5 horse race tracks in British Columbia. These service providers are responsible for conducting horse racing in accordance with the Gaming Control Act and the Rules of Thoroughbred and Standardbred Horse Racing. Pari-mutuel wagering on horse races is regulated by the federal government though the Canadian Pari-Mutuel Agency.

Licensed Community Organizations

GPEB licenses community and other eligible organizations to conduct and manage gaming events such as ticket raffles, independent bingos, wheels of fortune and social occasion casinos. Community organizations that host licensed charitable gaming events must comply with the rules and regulations outlined by the Province.

Supporting the Delivery of Gaming in B.C.

Gaming Services Providers

The B.C. Lottery Corporation contracts with private companies to provide day-to-day operational services at its gaming facilities and lottery outlets. These companies include casino, bingo, community gaming centre operators and lottery retailers. Services providers at gaming facilities must ensure all gaming employees have taken Appropriate Response Training and that no one under 19 participates in gambling activities or is present where gambling activity occurs.

Key Persons

GPEB identifies as key persons those individuals who hold critical security, operational or financial responsibilities in the gaming and horse racing industries. These individuals include directors, officers and senior employees of any business that is involved with gaming operations in the province.

Gaming Equipment Suppliers

Gaming equipment suppliers manufacture and/or distribute gaming equipment and materials to gaming venues. Manufacturers include companies that produce gaming equipment and materials, such as bingo paper, slot machines and playing chips. Distributors also include companies that market gaming equipment and materials.

Ancillary Service Providers

Ancillary contractors include companies that provide services that are not directly related to gaming itself (i.e., landlords, janitorial services and concessionaires) to gaming operators.

Gaming and Horse Racing Workers

Gaming and horse racing workers are registered by the Province to ensure the integrity, honesty and financial responsibility of gaming and horse racing operations. Gaming workers are individuals who are paid to operate large-scale licensed raffles, casino games, commercial bingos or teletheatres. Horse racing workers include people who work for or conduct business with racetracks (i.e., jockeys, trainers, race horse owners and racing officials).

Horse Racing Teletheatre Operators

GPEB licenses teletheatre sites to present simulcast satellite broadcasts of horse races run at local, national and international tracks. There are 22 teletheatre locations in B.C. Twenty are operated by Teletheatre BC (TBC) in venues across the province. The remaining two teletheatres are located at racetracks (Hastings Racecourse and Fraser Downs Racetrack) and operated by the Great Canadian Gaming Corporation.

Authorized Forms of Gaming

Gaming is a rapidly evolving industry. New products, approaches and methods of delivery are constantly being developed. Players' preferences are also constantly changing. The Province takes a cautious and responsible approach when determining the types of games it will permit and where those games may

take place. New products/approaches must not jeopardize the integrity of the industry, must be socially responsible, and it must be possible for GPEB to effectively regulate them.

The following table summarizes the forms of gaming currently authorized and the locations where each may be offered.

Appendix B: Gaming permitted in British Columbia

Commercial Gaming	Casinos	Bingo Halls	CGCs*	Co-located Racetracks/ Casinos	Racetracks	Lottery Outlets	PlayNow.Com	Licensed Events	Pubs & Bars
Commercial bingo games		●	●						
Lottery products	●	●	●	●	●	●	●		●
Slot machine	●		●	●			●		
Table games	●			●			●		
Poker tables	●			●			●		
Electronic table games	●		●	●			●		
Live horse racing				●	●				
Teletheatres	●		●	●	●				●

Licensed Charitable Gaming									
Ticket raffles								●	●
Independent bingo								●	●
Social occasion casinos								●	●
Wheels of fortune								●	●

* Community gaming centres

Appendix C: Sources and distribution of revenues

Table A: Government gaming revenues and disbursements

Revenue – in (all figures in $ millions)	2011/2012	2010/11
Lotteries	$254.1	$280.4
Online gaming via PlayNow.com	$24.8	$8.6
Casinos	$714.1	$724.4
Bingo (includes community gaming centres)	$114.4	$91.2
Total revenue	**$1,107.4**	**$1,104.6**

Disbursements – out	2011/2012	2010/11
Supporting communities		
Community organizations	$135	$135
Payment to host local governments	$83.1	$82.3
Local economic development (DAC)	$11.6	$10.9
Horse racing purse enhancements	$10.0	$10.0
Gaming Policy and Enforcement Branch operations		
Core programs to regulate gaming	$13.2	$13.1
Responsible and Problem Gambling Program	$5.6	$5.3
British Columbia government programs		
Health Special Account	$147.3	$147.3
Consolidated Revenue Fund	$692.4	$691.8
Government of Canada transfer		
Under a federal/provincial lottery agreement	$9.2	$8.9
Total disbursements	**$1,107.4**	**$1,104.6**

Table B: Host local government share of gaming revenues

NOTE: 2010/2011 Community Gaming Centre (CGC) earnings at the gaming facility level have been restated since that year's GPEB Annual Report. The total has not changed.

Location and name of casino	2011/2012	2010/11
Abbotsford		
• Chances Abbotsford CGC	$904,774.46	$807,176.68
Burnaby		
• Gateway Burnaby Casino	$9,365,898.70	$9,931,544.16
Campbell River		
• Campbell River Chances CGC	$687,490.52	$641,680.42
Castlegar		
• Chances Castlegar CGC[1]	$283,428.21	–
Coquitlam		
• Boulevard Casino	$7,501,627.05	$8,060,123.31
Courtenay		
• Chances Courtenay CGC	$802,261.21	$676,438.99
Cowichan		
• Chances Cowichan CGC	$784,409.54	$763,865.28
Cranbrook (Ktunaxa First Nation)		
• Casino of the Rockies	$1,365,120.22	$1,390,720.40
Dawson Creek		
• Chances Dawson Creek CGC	$839,806.18	$720,443.40
Fort St. John		
• Chances Fort St. John CGC	$969,606.21	$787,470.09
Kamloops		
• Lake City Casino	$1,922,004.19	$1,922,871.51
• Chances Kamloops CGC	$541,918.71	$482,685.01
Kelowna		
• Lake City Casino	$2,036,332.36	$2,216,116.95
• Chances Kelowna CGC	$1,584,608.05	$1,467,901.24
Langley		
• Playtime Gaming CGC	$132,254.42	$129,774.60
• Langley Casino	$5,875,236.04	$6,251,586.52
Maple Ridge		
• Maple Ridge Community Gaming Centre	$786,696.43	$317,106.55
Mission		
• Chances Boardwalk CGC	$645,946.03	$562,221.33

1 The Chances Castlegar Community Gaming Centre (CGC) opened July 2011

Table B: Host local government share of gaming revenues
(continued)

Location and name of casino	2011/2012	2010/11
Nanaimo		
• Nanaimo Casino	$2,350,384.15	$2,569,858.95
New Westminster		
• Starlight Casino	$5,780,230.26	$6,237,431.78
Penticton		
• Lake City Casinos Ltd.	$1,682,935.49	$1,712,121.15
Port Alberni		
• Chances Rim Rock	$449,781.00	$425,245.07
Prince George		
• Treasure Cove Casino	$2,627,265.33	$2,556,331.52
Prince Rupert		
• Chances Prince Rupert CGC	$403,647.26	$362,349.61
Quesnel		
• Billy Barker Casino	$519,955.58	$553,138.12
Richmond		
• River Rock Casino	$14,803,715.52	$13,004,504.09
Squamish		
• Chances Boardwalk Squamish	$230,631.03	$240,671.00
Surrey		
• Fraser Downs	$2,877,900.08	$2,873,692.63
Terrace		
• Chances Terrace	$560,756.86	$457,019.91
Vancouver		
• Edgewater	$5,821,565.25	$5,881,108.92
• Hastings	$1,270,554.09	$1,288,937.07
Vernon		
• Lake City Casino	$1,947,770.07	$2,086,808.48
View Royal		
• View Royal Casino[1]	$4,196,788.12	$4,446,628.07
Williams Lake		
• Signal Point CGC	$579,704.96	$534,095.26
Total municipal share of casino revenue	**$83,133,003.58**	**$82,317,868.28**

1 View Royal has revenue sharing agreement with nearby local governments

Appendix D: Branch operating budget and expenditures

NOTE: Operating and Business expense in 2010/11 has been restated since that year's GPEB Annual Report. The total branch expenditures did not change.

Branch budget	**2011/12**	**2010/11**
Core operations	$13,907,000	$13,200,000
Responsible Gambling Program	$4,453,000	$4,456,000
Total branch budget	**$18,360,000**	**$17,656,000**

Branch expenditures	**2011/12**	**2010/11**
Core Branch operations		
Salaries and benefits costs	$11,362,646	$11,414,900
Operating and business expenses (includes legal and professional services)	$1,886,761	$1,706,035
Subtotal	**$13,249,407**	**$13,120,935**
Responsible Gambling Program		
Salaries and benefits costs	$268,363	$256,433
Operating and business expenses (includes legal and professional services)	$391,360	$270,183
Contracts	$4,934,790	$4,800,234
Subtotal	**$5,594,513**	**$5,326,850**
Total branch expenditures	**$18,843,920**	**$18,447,785**
Surplus/(deficit)	$(483,920)	$(791,785)

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